

Memorandum for: RECORD

25X1

Subject: INF Deployment and East-West
Relations [redacted]

25X1

The attached memorandum responds to a
request from the DCI [redacted]
[redacted] The DCI asked for an assessment, [redacted]

25X1

25X1

[redacted] over the long term effect of INF
deployments on East-West relations. The thrust
of the memorandum is that neither the East nor
West Europeans wish to damage permanently the
established pattern of economic and political
ties between East and West and that both are
looking to minimize the potential for a post-INF
freeze. [redacted]

25X1

25X1

25X1

Attachment

14 October 1983

===== Director, =====

E U R A

Office of European Analysis
Directorate of Intelligence

Distribution:

Orig - Addressee

1 - DDI
1 - ADDI
1 - DDI Registry
4 - IMC/CB
1 - EURA
1 - EURA Production
1 - EURA/EI
3 - EURA/EI/SI

DDI/EURA/EI/SI [redacted]

(140ct83)

25X1

EUR M 83-10246

SECRET

13 October 1983

MEMORANDUM FOR: NIO Western Europe
FROM : Deputy Director, Office of European Analysis
SUBJECT : INF Deployment and East-West Relations

25X1

Preparations for INF deployments are proceeding, and we expect initial deployments to take place in West Germany and the United Kingdom in December of this year and in Italy in March 1984. The Soviets have threatened to take countermeasures once INF deployments have begun. In the political area, they have said they will suspend the INF and probably the START negotiations. In the military area, they apparently intend to put newer missile systems in Eastern Europe.

25X1

These developments are certain to lead to an increase in East-West tensions, but we believe it will be temporary. Neither East nor West Europeans will want to damage permanently the pattern of economic and political ties between East and West. Even the Soviets, after having shown their pique over INF deployments by taking countermeasures, probably will want to return to normal relations with Western Europe within a matter of months. At the least, they will perceive new opportunities to exploit potential differences between Western Europe and the United States.

25X1

The Warsaw Pact Perspective

The USSR already is having trouble lining up support in Eastern Europe for its efforts to counter NATO INF deployments. Moscow has been unable to obtain unanimous endorsement from its allies for military countermeasures, although it has extracted individual pledges of support from most of them. While some Pact summit this Fall. While some Pact members who stand to lose a great deal from increased East-West tensions will continue to try to distance themselves from a harsh response to NATO INF, all--with the possible exception of Romania--will comply with the USSR's final decision.

25X1

Following unsuccessful efforts last spring to secure the Warsaw Pact's endorsement of tough military countermeasures

EUR M 83-10246

SECRET

25X1

against NATO INF, the Soviets subsequently shifted to a bilateral approach that has yielded mixed results. Although Hungarian Party chief Kadar signed a joint communique with Andropov in July that endorsed "effective retaliatory measures" against INF, he apparently did so reluctantly. Moreover, Budapest has avoided further comment on the subject, and Poland expressed only lukewarm support for countermeasures. Only the Czechoslovaks and East Germans have given strong public endorsements. [redacted]

25X1

East European Concerns

Romania's fear of losing some of its independence from Moscow has been the main factor behind its advocacy of a moderate approach to INF. The Romanians realize that an escalating arms race in Europe and the consequent rise in East-West tensions would lead the Soviets to increase their demand for greater economic and military cooperation in the Pact. In addition, a sharp downturn in East-West relations might reduce the availability of Western credits needed to avert a financial crisis. [redacted]

25X1

Hungary also fears that its economy would be seriously hurt by reduced access to Western credits and markets. This, in turn, could jeopardize the regime's reform program and weaken public support for the government. [redacted]

25X1

Polish leaders are preoccupied with domestic concerns and are anxious to restore financial ties with the West. They would prefer to avoid close identification with Soviet countermeasures that could further damage their standing at home and abroad. Bulgaria is worried that Soviet missile deployments would require the introduction of Soviet troops and kill its proposal for a Balkan nuclear free zone. [redacted]

25X1

East Germany and Czechoslovakia, the countries where the USSR would be most likely to counter INF, have different concerns. Prague's insecure leadership has been eager to demonstrate its support for Moscow on this issue and has little to lose if East-West relations deteriorate. While East Germany needs to reassure Moscow of its willingness to cooperate, it is also trying to insulate relations--particularly economic ties--with West Germany from any increase in East-West tension. [redacted]

25X1

Soviet Intentions

The Soviet leadership will be anxious to obtain a collective Warsaw Pact endorsement of strong countermeasures before NATO deployments occur, and we believe it will convene a summit before December. If Romanian leader Cequesescu continues to balk, the Soviets may proceed without him. They probably would calculate

that, even without Romanian adherence, a strong endorsement from the rest of the Pact would improve the credibility of the Soviet threat in the eyes of the West Europeans. Nonetheless, East European reluctance to give advance commitments to military countermeasures is an indication of the value they place on continued ties with the West. [redacted]

25X1

The West European Perspective

The NATO Allies have a number of opportunities--collectively or individually--to minimize the impact of INF deployment on East-West relations. Already, they have forged links with East European countries and the Soviet Union which many hope will survive any rupture in NATO/Warsaw Pact relations after initial missile deployments. At a minimum, they will try to maintain high level contacts with Warsaw Pact counterparts after INF basing to demonstrate their desire for normal relations. In addition, the Western allies can continue to build economic ties with the East and use arms control forums in which they participate--MBFR and CDE--to maintain a dialogue with the Eastern bloc on disarmament issues--even if US-USSR bilateral talks are suspended. [redacted]

25X1

Economic Relations

Economic links that the West Europeans have forged with the East Europeans and the Soviet Union could help minimize increased cold war tensions. Economic ties between Western Europe and the Soviet bloc are not likely to increase substantially during this decade, and most of the links are not of major economic importance. But they play a significant symbolic role as a sign of continued "detente." [redacted]

25X1

The West Europeans continue to believe that trade with the West will tend to restrain Soviet behavior. Optimism on this score has declined substantially in the wake of the events in Poland and Afghanistan, but proponents of trade with Warsaw Pact countries continue to reject measures that suggest "economic warfare". In fact, many Allies want to re-schedule Poland's debt. [redacted]

25X1

West German banks recently made a loan of about \$400 million to East Germany that has been guaranteed by Bonn. Although the loan agreement did not require any East German accommodation, Bonn expected some concessions on humanitarian issues. In fact, East Germany recently announced new legal provisions for family reunification and marriages of East Germans to foreigners, implying more East Germans will be allowed to move to the West. It also eliminated the daily minimum currency exchange

requirement for children under 14 and dismantled some weapons along the border. [redacted]

25X1

The West Germans presumably will continue to ask for further concessions and portray the ones made so far as only the beginning of substantial improvements in bilateral relations. Bonn wants East Germany to have enough financial support to avoid economic and social instability that could cause it to impose severe restrictions on contacts between the two Germanies. Bonn probably hopes--and the East Germans may too--that these new links will be strong enough to survive worsened East-West relations following INF deployments. [redacted]

25X1

Arms Control

Most observers believe that an arms control agreement is not possible until after INF basing has begun. While the Soviets will probably suspend INF and possibly START talks once deployments begin and undertake military countermeasures, it is also likely that the USSR eventually will recognize the value of returning to the bargaining table in order to limit NATO deployments. West European leaders publicly have minimized the impact of potential Soviet counterdeployments in Warsaw Pact countries, and the Allies have refrained from heavy criticism of the East Europeans on this issue. If INF and START are suspended temporarily, the West Europeans will turn to other forums--the MBFR talks in Vienna and the European Disarmament Conference (CDE) that convenes in Stockholm in January--to preserve an arms control dialogue with the Soviets. [redacted]

25X1